Congress of the United States

Washington, DC 20515

May 15, 2006

The Honorable Alphonso Jackson Secretary Department of Housing and Urban Development 451 7th Street, SW Washington, DC 20410

Dear Secretary Jackson:

We have seen your statement that you regret your remarks at the Texas small business forum, when you claimed that you scuttled a contract after the prospective contractor expressed his dislike of President Bush. Our concern, however, was not with your remarks, but with the actions they described.

Your spokesperson has acknowledged that you told the following story during your April 28 remarks:

He made a heck of a proposal and was on the [General Services Administration] list, so we selected him. He came to see me and thank me for selecting him. Then ... he said, "I have a problem with your President." I said, "What do you mean?" He said, "I don't like President Bush." ... He didn't get the contract. ... Why should I reward someone who doesn't like the president, so they can use funds to try to campaign against the president? Logic says they don't get the contract. That's the way I believe. I

When your spokesperson was first asked about your comments, she said that the contractor had approached you "trashing, in a very aggressive way" you and President Bush.² However, your spokesperson later claimed: "The story ... was hypothetical. It didn't actually take place." Similarly, in your statement, you assert:

I deeply regret the anecdotal remarks I made at a recent Texas small business forum and would like to reassure the public that all HUD contracts are awarded solely on a stringent merit-based process. During my tenure, no contract has ever been awarded, rejected, or rescinded due to the personal or political beliefs of the recipient.⁴

¹ HUD Official in Hot Water Over "Story", Washington Post (May 9, 2006); HUD Secretary's Blunt Warning, Dallas Business Journal (May 5, 2006).

² HUD Chief's Talk of Punishing Bush Critics Sparks an Uproar, Dallas Morning News (May 10, 2006).

³ HUD Official in Hot Water Over "Story", Washington Post (May 9, 2006).

⁴ Department of Housing and Urban Development, News Release: Statement of Secretary Alphonso Jackson Regarding the Department of Housing and Urban Development Contracting Policies (May 10, 2006).

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We recognize that the Department is now asserting that political beliefs have played no role in the award of contracts. But statements alone will not be sufficient to restore public confidence. By your own admission, you and the HUD spokesperson have made a number of conflicting statements in the past several days. For this reason, we reiterate our request for:

- (1) All documents related to the advertising contract you discussed in your April 28, 2006, speech; and
- (2) All documents related to any other contract that you personally reviewed, approved, or were involved with during your time at HUD.

We request that you provide these documents by May 26, 2006. This should not be burdensome. If your latest statement is accurate, there should be no such documents.

Sincerely,

Henry A. Waxman

Ranking Minority Member

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House Committee on Government Reform

Barney Frank

Ranking Minority Member

House Committee on Financial Services